# RAJYA SABHA

*Friday, the 24th April, 1987/4 Vaisakha, 1909 (Saka)*

The House met at eleven of the clock. Mr. Chairman in the Chair.

## ORAL ANSWERS TO QUESTIONS

MR. CHAIRMAN: Question Nos. 141 to 151 will be taken together.

### Guidelines for fixation of Remunerative Prices for Farmers

*141. SHRI PRAMOD MAHAJAN: Will the Minister of AGRICULTURE be pleased to state:

(a) what are the guidelines followed by the Agriculture Costs and Prices Commission while deciding the remunerative prices to farmers;

(b) whether it is a fact that there is widespread dissatisfaction amongst the farmers about these guidelines; and

(c) if so, what steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI YOGENDRA MAKWANA): (a) to (c) A Statement is laid on the Table of the Sabha.

**Statement**

(a) The Commission for Agricultural Costs and Prices is only a recommendatory body. While formulating its recommendations, the Commission is guided by its terms of reference and accordingly, keeps in view the following:

(i) the need to provide incentive to the producer for adopting improved technoloby and for developing a production pattern broadly in the light of national requirements;

(ii) the need to ensure rational utilisation of land, water and other producresources;

(iii) the likely effect of the price policy on the rest of the economy, particularly on the cost of living, level of wages, industrial cost structure, etc.; and

(iv) the changes in terms of trade between agricultural sector and non-agricultural sector.

The Commission also takes into account not only a comprehensive over-view of the entire structure of the economy of a particular commodity but also a number of important factors; e.g.,

1. Cost of production.
2. Changes in input prices.
3. Input-Output price parity.
4. Trends in market prices.
5. Demand and supply.
6. Inter-crop price partiy.
7. Effect on industrial cost structure.
8. Effect on general price level.
9. Effect on cost of living.
10. International market price situation.
11. Parity between prices paid and prices received.

(b) No, Sir.

(c) Does not arise.

### गेहूं का खरीद मूल्य

*151. श्री सत्य प्रकाश मालवीय : क्या कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) 1 अप्रैल, 1987 से गेहूं का खरीद मूल्य 166 रुपये प्रति क्विंटल निर्धारित किये जाने का क्या आधार है ; और

(ख) क्या सरकार इसके मूल्य में और वृद्धि करने का विचार रखती है ; यदि हां तो कितनी तथा कब तक ?

कृषि मंत्रालय में कृषि और सहकारिता विभाग में राज्य मंत्री (श्री योगेंद्र मकवाणा) : (क) कृषि लागत तथा मूल्य आयोग द्वारा

की गई सिफारिशों के आधार पर तथा राज्य सरकारों के विचारों और सभी अन्य सम्बद्ध घटकों को ध्यान में रखने के बाद 1987-88 के विपणन मौसम के लिये उत्तम किस्म के गेहूं का खरीद मूल्य 166 रुपये प्रति क्विंटल निर्धारित किया गया है।

(ख) जी नहीं।

श्री प्रमोद महाजन : सभापति, जी, सरकार द्वारा मेरे प्रश्न को दिया गया उत्तर अपने आप में सरकार की संवेदना शून्य तक पहुंच गई है, यह स्पष्ट करता है। हिन्दुस्तान में गत कुछ वर्षों से लाभप्रद मूल्यों के लिये सारे देश में आन्दोलन होने के पश्चात् भी किसानों में व्यापक असन्तोष है। यह सरकार को ज्ञात नहीं है, यह दुखद और आश्चर्य-कारक है। जो भी कृषि लागत तथा मूल्य आयोग को सिफारिश करने वाली निकाय बताया गया है, यह अधिकतर किसान के खिलाफ है, किसान के पक्ष में नहीं है। मैं केवल उदाहरण के रूप में कहूं कि जीवन-यापन, मजदूरियों का स्तर, औद्योगिक लागत संरचना, आदि पर विशेष रूप से शेष अर्थव्यवस्था पर मूल्य नीति का प्रभाव.... (व्यवधान)....

MR. CHAIRMAN: Mr. Mahajan, you are always delivering speeches. Therefore, you must put your question.

SHRI PRAMOD MAHAJAN: I have finished just one minute Sir.

MR. CHAIRMAN: No, no, it does not matter. You see, the way in which you put your question, the preamble is to explain the question. But you deliver generally a speech. This is an advice to you. Please put your question.

श्री प्रमोद महाजन : थैंक यू, इसलिये मैं यह पूछना चाहूंगा कि इसमें जो "उत्पादन-लागत" इस शब्द का प्रयोग किया गया है, यह उत्पादन लागत के अन्तर्गत किन-किन चीजों में सरकार विचार करती है और कीमत, उसकी उत्पादन की लागत किस प्रकार तैयार करती है?

SHRI YOGENDRA MAKWANA: So far as the cost of production is concerned... (*Interruption*). He wanted to know So, what can I do? I have to give it. We take into consideration the value of hired human labour, value of own bullock labour, value of hired bullock labour, hired machinery charges, value of own machinery labour, value of seeds both farm produce and purchase, value of insecticides and pesticides, value of farm yard manure owned and purchased, value of chemical fertilizer, depreciation on implements and farm building, irrigation charges, land revenue, cesses and other taxes, interest on working capital, misc. expenses, payment to artisans etc., rent paid for land-in lease, interest on the value of owned capital assets exeluding land, imputed rental value of owned land, imputed value of family labour and so on and so forth. These are the factors which are taken into consideration while calculating the cost of production of the produce of the farmers. The allegation made by the hon. Member is baseless because the Government is very keen to see that the interest of the farmers is protected and everything is done to protect the interest of the farmers. Those who are launching the agitation, they are doing it with a political motive.

श्री प्रमोद महाजन : सभापति जी, दूसरा प्रश्न मैं यह पूछना चाहूंगा कि रिम्यूनिरेटिव प्राइसेस और सपोर्ट प्राइसेस जो इन दोनों शब्दों का प्रयोग किया जाता है, इन दोनों शब्दों में क्या अन्तर है और किसानों को जो दिया जाता है, वह रिम्यूनरेटिव प्राइस है या स्पोर्ट प्राइस है?

श्री योगेन्द्र मकवाणा : दोनों शब्दों में कोई अन्तर नहीं है। रिम्यूनिरेटिव प्राइस इसलिये कहा जाता है कि because it is remunerative to the farmer Therefore, it is called a remunerative price. 'Support' because the farmer is supported by these prices so that he may not incur losses in case the prices fall down to the minimum level. Then the Gov-

ernment is procuring at a fixed price which is remunerative price in order to support the farmers' interests.

SHRI PRAMOD MAHAJAN: He has not answered my question...

MR. CHAIRMAN: I am satisfied with the answer. Now, Mr. Satya Prakash Malaviya.

श्री सत्य प्रकाश मालवीय: मान्यवर, गत वर्ष गेहूं का समर्थन मूल्य 162 रुपये घोषित किया गया था और इस वर्ष भी हाल में 166 रुपये प्रति क्विंटल घोषित किया गया है। पिछले वर्ष जून में यह घोषणा हुई थी। मैं यह जानना चाहता हूं कि इस बीच में जो कृषि यंत्रों, बिजली की दरों, खाद, डीजल, बीज आदि चीजों के दामों में भारी वृद्धि हुई है और किसानों को बिजली समय पर नहीं मिलती है और अपर्याप्त मात्रा में मिलती है, तो आपने जो जनरल उत्तर दिया है, लेकिन मेरा स्पष्ट प्रश्न है कि पिछले 8 महीनों के अन्दर जिन चीजों का मैंने उल्लेख किया है, उनके दामों में जो वृद्धि हुई है, क्या उनका भी आपके विभाग द्वारा विचार किया गया है, समर्थन मूल्य निश्चित करने के लिये?

SHRI YOGENDRA MAKWANA: As I have already replied to the earlier honourable Mamber, all factors are taken into consideration. Increase in price is also taken into consideration while calculating the cost of production of the farmer's produce. The Commission on Agricultural Costs and Prices is collecting all this information from the States and various agencies and then they are deciding the cost. The cost is in relation to the crop year. Therefore, they add something to make it up-to-date. I have figures with me and if the honourable Members are interested I can give the figures. In 1984-85 the highest cost of production was in Haryana and that was 141.31 per quintal. If we add even 2 per cent increase, except some farm labour-fertilizer price is not increased, pesticide is not increased, during this one year--then it comes to Rs. 3. It will then be 144.31. Take it as 145. The Commission recommended 165 and we have given 166. A profit of Rs. 20 is given to the farmer.

श्री सत्य प्रकाश मालवीय: श्रीमन्, यह जो कृषि मूल्य आयोग है, मैं जानना चाहता हूं कि इसका कम्पोजिशन क्या है और इसके जो मैम्बर हैं, उसमें किसानों और उत्पादकों के कौन-कौन लोग प्रतिनिधि हैं?

श्री योगेन्द्र मकवाना: इसके लिये कई सुझाव आये हैं, जिसमें किसानों के 3 प्रतिनिधि रखे जायें। Almost every Member has written and suggested somebody's name. So we have to finalise it and we will be finalising it soon and put three representatives of farmers on the Commission.

श्री वीरेन्द्र वर्मा: श्रीमन्, मेरे तीन प्रश्न हैं। मैं यह जानना चाहता हूं कि जो आपका एग्रीकल्चरल प्राइस कमीशन है, उसकी रिकमंडेशन पर आप काम करते हैं और भतपूर्व प्रधान मंत्री श्रीमती इन्दिरा गांधी जी ने यह घोषणा की थी, कि इसका गठन किया जायेगा और एक वर्ष पूर्व कृषि मंत्री जी ने भी घोषणा की थी कि इसका गठन किया जा रहा है। आज जो आपने उत्तर दिया है, उसमें भी आप कह रहे हैं कि तीन मैम्बर होंगे। एक साल पहले भी आपने कहा था कि तीन मैम्बर होंगे और आज तक आपने मैम्बर नहीं बनाये हैं। इसका मतलब यह है कि यह कमीशन गठित नहीं हुआ है। तो कौन इसकी रिकमंडेशन करता है? क्या केवल आफिशल्स इसकी सिफारिश करते हैं?

दूसरा प्रश्न मेरा यह है कि आपने कहा कि सभी फैक्टर्स को आप देखकर तय करते हैं। आपने अपने उत्तर में बताया है कि —

cost of living, level of wages, industrial cost structure, changes in input prices, input and output price parity and trends in market prices.

मान्यवर, मैं आपकी जानकारी में, यह ला दूं कि 72-73, 73-74, 74-75,

75-76 में भारत सरकार ने गेहूं की कीमत 76 रुपये क्विंटल रखी थी। क्या इन चार वर्षों में जिन बातों की आपने चर्चा की है, इसमें कोई डिफरेंस नहीं आया था और क्या इनपुट में, पैरिटी आफ प्राइसेस में इण्डस्ट्रीयल कास्ट में कोई बढ़ोत्तरी नहीं हुई थी, इसके बारे में भी जरा बता दीजिये। यह भी आपकी आज्ञा से कह दूं कि 81-82, 82-83, 83-84 में भारत सरकार ने गन्ने की कीमत 13 रुपये क्विंटल कर की थी, तो क्या इन तीन सालों में कास्ट आफ प्रोडक्शन में इजाफा नहीं हुआ था ?

SHRI YOGENDRA MAKWANA: So far as the constitution of the Agricultural Costs and Prices Commission is concerned, it is only before two or three months.

**श्री वीरेन्द्र वर्मा** : एक साल पहले आपकी मौजूदगी में कृषि मंत्री जी ने यही उत्तर दिया था जो आज स्टेट मिनिस्टर दे रहे हैं।

**श्री जो० एस० डिल्लों** : मुझे मिनिस्टर बने एक साल भी नहीं हुआ, आप कैसे कह रहे हैं ?

**श्री वीरेन्द्र वर्मा** : एक साल नहीं ग्यारह महीने तो हो गये।

SHRI YOGENDRA MAKWANA: There is some substance in what he says, Sir. We had declared it earlier, not this Agriculture Minister, but the previous Minister, Mr. But Singh. He did it.

MR. CHAIRMAN: Anyhow, it is a continuous thing though the Minister changes.

SHRI YOGENDRA MAKWANA: So, Sir, there is substance in what he says. But the difficulty is that there a number of recommendations and as I have said, almost all the Members have recommended the names of some persons or the other and we have to decide on whether we have to take those suggestions. There are some suggestions like appointing marginal farmer's representatives, small and marginal farmers' representatives, big farmers' representatives, medium farmers' representatives, etc. This is one suggestion. Another suggestion is that the agro-climatic areas should be taken into consideration...(*Interruptions*)... These are the difficulties. Therefore, this has been delayed. But we are going to do it.

So far as the increase in the cost of production is concerned, if the honourable Member wants, I can give the figures. Yes, there is an increase in the cost of production. In 1982-83, it was Rs. 134.77.

**श्री वीरेन्द्र वर्मा** : मैंने तो यह नहीं पूछा, मेरा यह प्रश्न नहीं था।

SHRI YOGENDRA MAKWANA: That is per quintal. Sir, the honourable Mamber has asked a specific question whether there is any increase in the cost of production during these years or not.

SHRI VIRENDRA VERMA: Yes.

SHRI YOGENDRA MAKWANA: That was your question and I am replying to it. In 1982-83...(*Interruptions*)... You see, in 1982-83, the cost of production was Rs. 134.77 which went up to Rs. 140.93 in 1983-84 and in 1984-85, it went up to Rs. 141.31. So, there is an increase, substantial increase, in the cost of production and, based on this cost of production, the Government had declared the procurment price which is on the side of increase. For that also, if the honourable Member wants, I can give the figures and I have the figures with me. The price in 1982-83 was Rs. 142|- per quintal, in 1983-84-Rs. 151|-, in 1984-85-Rs. 152|-, in 1985-86-Rs. 157|-, in 1986-87-162|- and in 1987-88-Rs. 166|-.

**श्री वीरेन्द्र वर्मा** : विद यूअर परमिशन मैं यह पूछना चाहता हूं कि मैंने गेहूं के मामले में चार साल की फिगर्स मांगी थी...

**श्री योगेन्द्र मकवाणा** : मैंने ज्यादा दे दिया तो क्या बात हो गयी ?

**श्री वीरेन्द्र वर्मा** : तीन साल की इन्होंने व्हीट की प्राइसेज बताई, मैंने पूछा था कि क्या तीन साल में कास्ट आफ प्राडेक्शन नहीं बढ़ी ? शुगरकेन की गवर्नमेंट आफ इण्डिया ने 13 रुपये क्विंटल प्राइस रखी थी, तीन साल तक, इसके क्या कारण हैं, एक तो यह पूछा था और दूसरा स्पैसिफिक क्वेश्चन यह था कि 72-73, 73-74, 74-75, 75-76 इन चार वर्षों में गेहूं की कीमत 76 रुपये क्विंटल रखी तो क्या कास्ट आफ प्रोडक्शन नहीं बढ़ी थी, क्या इण्डस्ट्रियल कमोडिटीज की कीमतें नहीं बढ़ी थीं, क्या वेजिज नहीं बढ़े थे और क्या कास्ट आफ लीविंग नहीं बढ़ा था ? यह मैं जानना चाहता हूं ।

SHRI YOGENDRA MAKWANA: Sir, I have not got the figures of 1970-71 with me at present. I have the figures with me for the years 1982-83 to 1987-88 and I have given those figures to the honourable Member just now. So far as the terms of trade are concerned, they are being looked into by the Commission when it recommends the procurement price to the Government.

**श्री शरद त्यागी** : माननीय सभापति महोदय, मैं माननीय मंत्री जी से यह जानना चाहता हूं कि क्या वे मेरा यह सुझाव स्वीकार करेंगे कि किसानों की पैदावार के दाम तय करते समय देश की किसान एसोसिएशन्स, एग्रीकल्चर मिनिस्ट्री की कंसलटेटिव कमेटी उनसे भी इस बारे में विचार-विमर्श करने के लिये सहमत हैं ?

**श्री योगेन्द्र मकवाणा** : यह सब तो हम आज भी करते हैं । यदि एग्रीकल्चरल प्राइसेज कमीशन के सामने कोई जाना चाहता है, तो वह जा सकता है, कोई भी एसोसिएशन जा सकती है, इण्डिविजुअल जा सकता है । लेकिन यह बात फिक्स नहीं है, कि ये ही जा सकते हैं । उनके पास कोई भी जा सकता है, अपना मेमोरेण्डम दे सकता है, अपनी ओपीनियम दे सकता है और यह बता सकता है कि ये दाम रखने चाहिये । आप यह कर सकते हैं । इस बारे में कोई बन्धन नहीं है, इट इज एलाउड ।

SHRI A. G. KULKARNI: Sir, I have gone through the reply given by the Minister. On an earlier occasion, only on 13th March, 1987, a reply was given to another friend of mine. Sir, the Minister says that various factors are taken into consideration when the agricultural prices are fixed. In your 13th March reply, you have given what you call the percentage increase or decrease in inputs because of support prices. I want to know whether what you are saying now is correct or what you said at that time was correct. I only take 2 years regarding wheat input. In 1983-84, it rose from 10 to 15.2 per cent and in 1984-85 from 15.2 to 15.5 per cent. This is so in Haryana, Punjab, Rajasthan and various other States. In 1982-83, the support price is 6.3 and in 1983-84 it is 7 per cent. In 1984-85 it is 10.6. So, taking into consideration the increase in inputs and the support price, it does not seem that what you have said now and what you have stated then have got any factual basis. I can quote paddy also. But the whole reply is on the Table of the House. I want to draw the attention of the Minister and also of the Government that the agriculturists and the farming community of the country are very much disturbed. This Agricultural Prices Commission and all those things will not solve their problem. The problem relates to the terms of trade. Thousands of crores of rupees are transferred from the rural sector to the urban sector because of the terms of trade. I remember that when Indira Gandhi was the Prime Minister—I don't remember the name of the Minister of Agriculture at that time—she had promised that the efforts of the Government are to neutralise the terms of trade by at least 2000 A.D. Will you be able to neutralise the terms of trade and stop this trend from rural areas to the urban areas?

SHRI YOGENDRA MAKWANA: Sir, there is no difference in what I said earlier and what I said today. Earlier I said in terms of percentage. Today I

spoke in absolute terms. The hon. Member says that there is a difference. There is no difference. In 1982-83, the cost of production was 134.77 and the price declared was 142 rupees per quintal.

SHRI A. G. KULKARNI: I am talking in terms of percentage.

SHRI YOGENDRA MAKWANA: This is in absolute terms. There is no time to calculate the percentage.

SHRI A. G. KULKARNI: This is juggelery.

MR. CHAIRMAN: Mr. Minister, you should bring the calculator along with you as I used to do when I was the Finance Minister.

SHRI YOGENDRA MAKWANA: Then I will not be hearing the hon. Members because I will be calculating. So, there is no difference in absolute figures and percentage. Another thing the hon. Member is asking is about the terms of trade. Sir, terms of trade are taken into consideration. But agricultural produce being such a commodity, sometimes because of floods, because of heavy rains, because of drought and because of cyclones, there is total loss to the crop, and it becomes very difficult in those cases to balance the term of trade with the agricultural produce. So, in some cases, there is some difficulty. But even then, the Commission is taking the terms of trade into consideration while recommending the prices.

SHRI GURUDAS DAS GUPTA: Sir, regarding representation of the kisans, they are having a problem, I suppose because of area and irrigation and all that. But I would like to know from the Minister whether they will select the representatives of the kisans taking into consideration the kisan movement which is quite strong here. But, Sir, he has not referred to that. Therefore, will you kindly consider the opinion of the kisan organisations while you select kisan representatives?

SHRI YOGENDRA MAKWANA: Sir, I have etarlier stated that we do consider their opinion. They are at liberty to come and present their cases before the Agricultural Costs and Prices Commission Sir, the man who is leading the agitation —I do not want to name—the gentleman is from Maharashtra We sent every time a message to the Maharashtra Government to invite famous representatives and to discuss the cost of the produce of the farmers in Maharashtra with the Commission. But he never turned up before the Commission. That is the attitude of these so-called leaders of the farmers who are launching the agitation against the Government. But we are prepared to hear them. We are prepared to hear the organisations. We are prepared to hear the individuals, and we are prepared to hear anybody who represents the farmers' interests.

SHRI A. G. KULKARNI: It is all Gujarat problem.

SHRI N.K.P. SALVE: Sir, the remunerative prices are fixed uniformly irrespective of the backwardness of the regions . In Vidarbha region, Sir, which Mr. Vasant Sathe and Mr. Ghulam Nabi Azad also represent—a very backward area—sugar mills are coming up in the co-operative sector with great difficulties. There is unending teething problem for those industries, Sir, unlike Western Maharashtra which have tremendous infrastructure, material and men infrastructure in their sugar mills. I would, therefore, like to know from the Agriculture Minister that while you are clamping a uniform payment of remunerative prices to sugarcane growers which is good in a way, what are you going to do by way of giving concessions to these new sugar factories in the co-operative sector?

MR. CHAIRMAN: This in only with regard to agricultural prices. Mr. Chitta Basu.

SHRI N. K. P. SALVE: Sir, I shall reframe the question. To ensure that uniform remunerative prices are paid, what are the measures you can assure to

the new ugar factories of the backward areas?

SHRI YOGENDRA MAKWANA: Sir, we are assuring to the farmers and not to the sugar factories. We look after the interests of the sugarcane growers and not of the crushers.

SHRI N.K.P. SALVE: Sir, he has not understood my question. Otherwise they will not be able to pay uniform prices.

MR. CHAIRMAN: No, Mr. Salve. You have been effectively answered.

SHRI N.K.P. SALVE: Sir, you have bailed him out.

SHRI CHITTA BASU: Sir, we have listened to the explanation given by Mr. Makwana regarding the support price and remunerative price. Sir, I do not accept his explanation. The support price is the minimum price so that the farmers do not incure any loss. Remunerative price is the price which includes some element of profit, etc. Therefore, support price and the remunerative price should not be equated. My question to the hon. Minister is whether he agrees that remunerative price for the growers can be ensured only if this particular farmula is accepted by the Government and the Commission in fixing the price of agricultural produce, namely cost of production plus transport cost plus reasonable profit plus risk allowance. Would the Government advise the Commission to fix the prices on the basis of this formula. Sir, part (b) of my question is what is the particular role assigned to the State Governments in the matter of fixing the prices because many State Governments have given their recommendations which are not accepted by the Commission and by the Government. To illustrate my point, I may say that the Govrenment of West Bengal suggested a certain amount as remunerative price for jute. It was not accepted by the Commission nor by the Government. Therefore, what is the exact role assigned to the State Governments in the matter of fixing the prices og agricultural produce. The fact of the matter is that the State Governments are more concerned about it than the Government at the Centre and therefore, I want that this one should be clarified.

SHRI YOGENDRA MAKWANA: Sir, profit and cost, these are two different terms. Price minus cost is what we call profit. And profit is given for the risk that the entrepreneur takes. Profit is because of risk taking quality of the entrepreneur. Therefore he gets the benefits of profit. Now, in case of this while calculating cost we do not include the element of profit. But while declaring the prices we include the element of profit, we include some amount as profit to the cost of production of the farmers. Therefore, profit element is taken into consideration while declaring the prices and, therefore, it is called remunerative price. So far as the second question is concerned, when we receive the report of the Agricultural Prices Commission, it is circulated to the State Governments. We seek their opinion. After taking the opinion of the State Governments into consideration and after taking the report of the C.A.C.P. and the views of the Planning Commission and various Ministries into consideration we fix the prices. In some cases we may have accepted the recommendation of the State Government and in some cases we may not have accepted them also.

**Strike by the Junior Engineers of the CPWD**

*142. SHRI GURUDAS DAS GUPTA:†

SHRI J. P. GOYAL:

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether it is a fact that the Junior Engineers of the C.P.W.D. went on strike in Delhi during the month of March in the current month in this year;

(b) if so, what are their demands and the action taken so far by Government thereon;

†The question was actually asked on the floor of the House by Shri Gurudas Das Gupta.